



**JONATHAN E. FIELDING, M.D., M.P.H.**  
Director and Health Officer

**JONATHAN E. FREEDMAN**  
Chief Deputy Director

313 North Figueroa Street, Room 806  
Los Angeles, California 90012  
TEL (213) 240-8117 • FAX (213) 975-1273

[www.publichealth.lacounty.gov](http://www.publichealth.lacounty.gov)



**BOARD OF SUPERVISORS**

**Gloria Molina**  
First District

**Mark Ridley-Thomas**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

May 17, 2012

TO: Each Supervisor

FROM: *for* Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

SUBJECT: **NOTIFICATION OF REQUEST FOR DELEGATED AUTHORITY TO  
APPROVE INCREASES OR DECREASES OF GREATER THAN 10 PERCENT  
OF THE TOTAL CONTRACT AMOUNT**

This is to notify you that the Department of Public Health (DPH) intends to request delegated authority to execute an agreement with AIDS Healthcare Foundation (AHF) to provide HIV/AIDS Medical Subspecialty Services (MSS) and to request delegated authority to approve increases or decreases in funding up to 25 percent above or below the agreement's annual base maximum obligation. In accordance with Board of Supervisor's Policy 5.120, prior Board notice is required for any department requesting delegated authority to increase a Board-approved contract amount in excess of 10 percent of the total contract amount.

**Background**

The forthcoming Board letter outlines DPH's intent to execute an agreement with AHF to provide MSS throughout Service Planning Areas (SPAs) 2 through 8, effective upon date of Board approval through February 28, 2015, for a total maximum obligation of \$3,918,515, one-hundred percent off-set by Ryan White Program (RWP) funds. Since 1992, the RWP has supported a broad range of care and support services, including MSS, to HIV-positive residents of Los Angeles County.

On March 1, 2010, DPH's Division of HIV and STD Programs (DHSP) released an RFP for HIV/AIDS Core Medical Services for SPAs 2 through 8. Proposals were due to DHSP on April 14, 2010. In response to a broad set of technical inquiries raised at the mandatory proposers' conference, written questions received by the required date, and a need to refine the RFP, the RFP was withdrawn on March 16, 2010. DHSP re-issued the RFP during the week of March 22, 2010. As a result of the rebid, AHF was selected as the provider and recommended for funding.

Each Supervisor  
May 17, 2012  
Page 2

#### **Justification to Increase or Decrease Greater Than 10 Percent of the Total Contract Amount**

While every effort is made to maximize MSS, and thereby maximize the effectiveness of RWP funds, it remains important to have the authority to increase or decrease funds for agencies that can meet a specific need. A 10 percent delegated authority cap on the above-mentioned agreement would limit DPH's flexibility to make contractual allocation adjustments through delegated authority and may jeopardize our ability to maximize grant funding. Additionally, 10 percent delegated authority may be insufficient to allow for timely program cost increases that may result due to increased client demand.

Also requested in the forthcoming Board Letter is delegated authority to add new program requirements/contract exhibits related to Healthy Way Los Angeles (HWLA) provisions. DPH anticipates amending this agreement to include provisions that will require additional resources and collaboration with the Department of Health Services and AHF, as part of the Medicaid Expansion and HWLA client migration; therefore, DPH is requesting a higher delegated authority percentage to allow for possible changes.

#### **Notification Timeline**

Consistent with the procedures of Board Policy 5.120, we are informing your Board of our intention to proceed with the filing of the Board letter with the Executive Office of the Board for the July 17, 2012, Board Meeting.

If you have any questions or would like additional information, please let me know.

JEF:mc

c: Chief Executive Officer  
Acting County Counsel  
Executive Officer, Board of Supervisors